

Honorable Members of the Housing Committee, Good Afternoon;

My name is Dave Delohery. As a resident of Cedar Springs Mobile Home Community in Southington I thank you for the opportunity to speak in favor of House Bill 5205 concerning establishment of Fair Rent Commissions in CT. I am also speaking on behalf of the CT Mobile Homeowner's Alliance, which is recognized in State Statute as advocating for the interests of mobile homeowners.

There are approximately 10,000 mobile homeowners in CT. Most reside in mobile home parks where they own their home and lease land from a park owner. As a result mobile homes have traditionally been one of the very few options for affordable, non-subsidized home ownership in our state and across the country.

However, that status is increasingly threatened as REIT's and other corporate interests have recognized that mobile home parks offer a steady, low risk, and greater return on investment than many other opportunities. I have included several links supporting this trend in my submitted testimony, and I encourage you to look into them. There you will learn that investors as knowledgeable as Warren Buffet are heavily involved in mobile home park ownership. This trend is taking place right here in CT, with Michigan companies RHP and Sun Communities making significant purchases here in recent years.

The trend results from the inherent imbalance of power between park owners and their tenants. Once a mobile home is placed on a lot, mortgage financing requires wheels and tow assembly be removed, and the cost of moving the home is beyond the means of most, so even if an alternative site were available, the resident can't just pick up and move like other renters.

This puts the homeowner at an extreme disadvantage at lease renewal time, which inevitably comes with an increase. Residents who often survive on fixed incomes are then confronted with the dilemma of capitulating to yearly rent increases and/or onerous lease modifications, or being threatened with eviction if they refuse, or complain about lack of services and maintenance while rents continue to escalate.

You may see why mobile homeowners strongly support creation of Fair Rent Commissions, which would require park owners to justify rent increases and maintain a level of services that protects the health and safety of their residents and the value of their homes. It would allow residents to challenge rent increases that are "so excessive as to be harsh and unconscionable" at the local level, without the costs of suing in court.

I'd also like to address one of the objections to creation of Fair Rent Commissions. When considering this legislation please remember that Fair Rent Commissions have been in place in CT for many decades. They operate in communities big and small, and in urban, suburban, and rural areas. Landlords continue to invest in these markets, so that argument against this bill does not hold water.

Thanks you again for the opportunity to speak, and I'd be happy to answer any questions I can.

Media links:

<https://www.npr.org/2021/12/18/1034784494/how-the-government-helps-investors-buy-mobile-home-parks-raise-rent-and-evict-pe>

<https://www.nytimes.com/2014/03/16/magazine/the-cold-hard-lessons-of-mobile-home-u.html>

<https://www.businessobserverfl.com/article/arizona-company-buys-mobile-home-park-for-dollar363-million>